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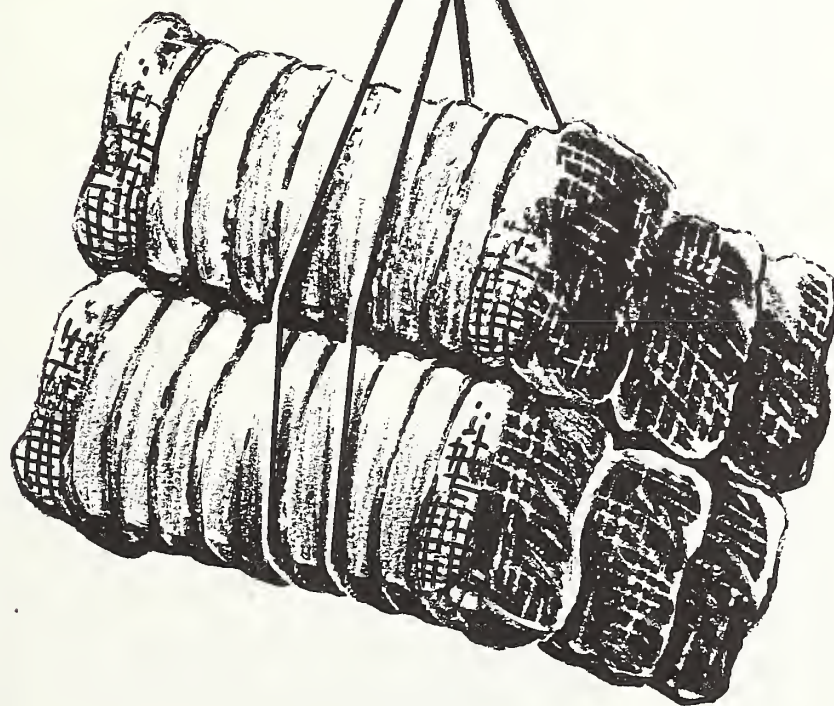
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FOREIGN AGRICULTURE

August 25, 1969

EXPORTS



The story of U.S.
agricultural
exports in
fiscal 1968-69

Foreign
Agricultural
Service
U.S. DEPARTMENT
OF AGRICULTURE

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This week's cover:

The value and volume of American farm products shipped overseas in this last fiscal year is discussed beginning this page.

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U.S. Farm Exports Dip 9 Percent During Fiscal 1969

Figuring prominently in the decline were the longshoremen's strike of December-March and large well-distributed world supplies of grain.

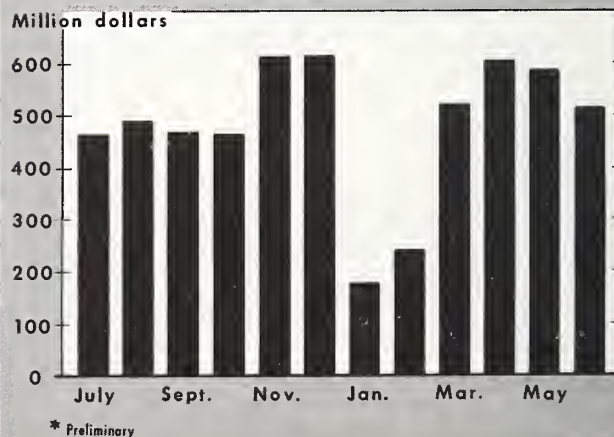
By DEWAIN H. RAHE
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Foreign Development and Trade Division
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U.S. AGRICULTURAL EXPORTS, 1968-69* MAJOR COMMODITIES



EXPORTS BY MONTHS



In 1968-69, U.S. farm exports declined for the second year in a row, totaling \$5.7 billion, compared with \$6.3 billion the year before. Substantial declines occurred in exports of cotton, wheat, feedgrains, rice, and vegetable oils. Increases were recorded in exports of meats, hides and skins, dairy products, fruits, vegetables, soybeans, and unmanufactured tobacco.

Commercial sales for dollars, which include barter exports, totaled an estimated \$4.8 billion in 1968-69, down from \$5.0 billion in 1967-68.

Exports under the Food-for-Peace programs (excluding barter) totaled an estimated \$900 million in 1968-69, down considerably from the \$1.3 billion of the previous year. Grains moved under government programs—especially wheat and feedgrains—declined, but dairy products exported under government programs increased from the previous year. Improved grain production in many developing countries—especially India and Pakistan—reduced the need of those countries to import products under these programs.

Dampening developments

The 1968-69 farm export decline was caused primarily by two major developments. First, the longshoremen's strike from late December into March at many of the Atlantic and Gulf ports caused a significant reduction in farm exports; estimates of the reduction resulting as a direct effect of the strike exceed \$200 million. Second, large world grain production and supplies, well distributed among exporting and importing countries, reduced foreign demand for U.S. grains. The large grain crops compounded the U.S. loss during the strike, as foreign buyers were able to buy grain elsewhere.

U.S. prices in the early part of the 1969 fiscal year were at a relatively low level. U.S. cotton exports were limited because of small exportable supplies available in the United States and large world supplies.

On the other hand, U.S. farm exports benefited from the continued economic growth in the industrialized countries of Japan and Western Europe. Japan, for example, had a real per capita growth rate in 1967-68 of 12½ percent. Growth was substantial for most West European countries, although less spectacular than for Japan. However, the United Kingdom's economy continued sluggish in 1967-68 and 1968-69, and that country continued to have balance-of-payment difficulties during 1968-69.

The continued trend towards more protectionism in agricultural trade was a disquieting feature of international agricultural trade in 1968-69. The European Community continued to maintain its high price support levels in the system of variable levies, insulating the domestic market from foreign competition. Japan continued to support its agriculture at a high level. For example, the Japanese support price for milled rice was \$421 per metric ton. As a result, Japan had a surplus of about 5 million to 6 million tons of rice.

Japan also assisted Asian countries in agricultural development to expand its sources of raw agricultural materials. For example, its agreements with Thailand, Indonesia, Cambodia, Australia, and other countries provide agricultural products under negotiated price arrangements coupled with varying degrees of technical assistance.

Animals and animal products

Exports of animals and animal products were 18 percent higher in 1968-69 than the previous year. This increase was

brought about by substantial gains in meats, hides and skins, and dairy products. Lard and poultry meat made smaller gains. The export value of tallow was somewhat below a year earlier because of low prices; the quantity exported declined less than the value.

Exports of *animal fats, oils, and greases* were down 4 percent in fiscal year 1969. Prices of nearly all animal fats continued at a very low level after having declined sharply the previous year. Increased production in such major outlets as the European Community resulted in less demand for U.S. animal fats. In addition, supplies of vegetable oils have been plentiful in the past year, such as soybean oil from beans imported from the United States, sunflowerseed from Eastern Europe, and palm oil from Southeast Asia. During the same period the West Europeans continued the trend to utilization of more detergents in cleaning products used in the home.

Hide and skin exports bounced back with a 23-percent gain in 1968-69 after the sharp decline of the previous year. This gain resulted from higher prices and increased slaughter in the United States. In addition, a substantial rise in personal incomes in Western Europe and Japan has increased the demand for leather products in these countries. Competition from synthetic leather products gained momentum, and use of rubber in certain leather-type items increased.

U.S. exports of *meat and meat products* rose 50 percent in 1968-69, to \$156 million from \$104 million the year before. Increased shipments of fresh, chilled, or frozen pork reflected a substantial part of this increase; these shipments totaled 154 million pounds in 1968-69, compared with 39 million pounds in 1967-68.

The Japanese licensed additional imports of pork because of increasing prices and the relatively limited home supplies available to the Japanese consumer. At the same time, production was down in Canada, and U.S. exports to Canada increased by 58 million pounds.

Exports of variety meats totaled 227 million pounds in 1968-69, compared with 199 million pounds in 1967-68. The principal customers for U.S. variety meats were West European countries. The sanitary regulations in the Economic Community—particularly in West Germany—severely hampered U.S. exports of variety meats in fiscal 1969.

Cotton

U.S. cotton exports declined to 2.8 million bales in fiscal 1969 from the 4.1 million bales of the year before. The United States had a small 1967-68 cotton crop, which reduced supplies available for export. At the same time, world production increased and cotton prices of other major producers generally trended lower, contributing to the decrease in U.S. exports.

Such industrialized countries as Japan and those in Western Europe are using more manmade fibers in apparel and other textile fabrics. Overall use of manmade products in the foreign Free World totaled 9.2 billion pounds in 1968, up from 7.9 billion pounds in 1967.

The United States accounted for less than one-fifth of the Free World cotton trade in 1968-69, down from nearly one-third in 1967-68. In the 1950's it accounted for over half of world cotton exports. The principal 1968-69 markets for U.S. cotton were the European Community, Japan, Taiwan, Hong Kong, South Korea, the Philippines, Poland, and Canada.

Fruits and preparations

U.S. exports of fruits and preparations in 1968-69 totaled \$291 million, slightly higher than the previous year. Exports of canned fruits advanced to \$49 million because of increased exports of fruit cocktail and peaches. Pineapple exports declined because of increased foreign competition. In recent years the United States has been importing considerable amounts of pineapple.

Total exports of dried prunes, grapes, and other fruits were \$47 million in 1968-69, about the same as the previous year. Raisin exports were somewhat higher, while prune exports declined slightly. Fresh fruit exports totaled \$143 million, down slightly from the \$145 million of the previous year. The decline was concentrated in apples and pears.

Canada purchased approximately \$128 million of U.S. fruit exports, or nearly half of the total.

Grains and preparations

U.S. exports of grains and preparations fell sharply in 1968-69, to \$2,069 million—23 percent below the \$2,704 million in 1967-68. A substantial increase in world grain production—especially of wheat—and the December-March longshoremen's strike contributed to the overall decline.

Wheat and flour exports totaled 532 million bushels in 1968-69, down 29 percent from the 752 million bushels in 1967-68. Wheat grain exports declined 33 percent, to 471 million bushels from the 700 million bushels exported the year before. Somewhat offsetting was the 18-percent increase in 1968-69 in exports of wheat flour, to 61 million bushels (grain equivalent) from 51 million bushels in 1967-68. Approximately two-fifths of the 1968-69 wheat and flour exports were under Food-for-Peace programs, compared with 50 percent under these programs the year before; most of the decline resulted from smaller shipments under programs to India, Pakistan, and Brazil. Declines were also noted for Yugoslavia, Japan, and the United Kingdom.

The low level of U.S. exports of wheat in 1968-69 reflected the well-distributed record world wheat production. U.S. wheat exports to Japan suffered because of a wheat-sprouting problem in November and December. Japan's purchases of U.S. wheat totaled 67 million bushels in 1968-69, compared with 82 million bushels in 1967-68. In addition, competition from other traditional suppliers—such as Canada, Australia, and Argentina—was very strong throughout the year.

Feedgrain exports from the United States in 1968-69 were about one-fifth lower than the year before. They totaled 16.4 million tons, compared with 20 million tons in 1967-68. The large world supplies of grains reduced the overall requirements for U.S. feedgrains in major world markets in 1968-69.

Most fiscal 1969 U.S. feedgrain exports were commercial sales for dollars; these totaled over 15 million tons compared with 730,000 tons exported under government programs. Exports declined primarily to Spain, the European Community (especially the Netherlands and Italy), India, and the United Kingdom. The increased production of grains in the European Community, stimulated by the high price support programs of its Common Agricultural Policy, reduced U.S. exports to this market by 7 percent. The EC variable levy on feedgrains averaged \$42.51 per ton for corn and \$41.59 per ton for grain sorghum—the principal feedgrains exported to the Common Market by the United States. However, exports to some Eastern European countries were up; they were also up slightly to Japan.

The United States accounted for about 45 percent of world feedgrain exports in 1968-69, down from about 50 percent in 1967-68.

Rice exports from the United States totaled 38.5 million bags (100 pounds) in 1968-69, down 6 percent from the record 41.2 million bags exported in 1967-68. The world rice situation changed in 1968-69 to one of plentiful export supplies, as contrasted with the 1967-68 situation when supplies were short or relatively limited. Commercial rice exports from the United States in 1968-69 totaled about 18 million bags, down from 24.1 million bags shipped in 1967-68. Exports under government programs were about 21 million bags. Exports were down sharply to South Vietnam, Hong Kong, Malaysia, the Philippines, Congo, and Ivory Coast. These decreases were somewhat offset by gains to Canada, Indonesia, Israel, Ghana, the European Community, and the Republic of Korea. Most of the overall decline was accounted for by the decline in exports to South Vietnam.

Production of rice has increased substantially in some Asian countries, with the development of higher yielding varieties and improved weather conditions. The Philippines, which only a few years ago imported 100,000 to 500,000 tons of rice a year for consumption, appears to be approaching self-sufficiency in this grain.

Oilseeds and products

The 3-percent advance in U.S. exports of oilseeds and products in 1968-69 was another bright spot in the export picture. The increase was primarily in larger exports of soybeans and oilcake and meals; exports of vegetable oils declined.

Flaxseed exports increased 90 percent to \$30 million in fiscal 1969, reflecting the relatively plentiful supply in the United States and delayed exports from other producing countries, primarily Canada and Argentina.

U.S. exports of *soybeans*, which account for the major share of total U.S. exports of oilseeds and products, were up 4 percent in value in 1968-69, amounting to \$785 million compared with \$751 million the year before. However, the quantity exported increased by 10 percent—291 million bushels compared with 265 million bushels in 1967-68. Lower prices stimulated U.S. soybean exports in 1968-69.

U.S. soybean meal accounts for the larger proportion of the protein supplement used in feed industries, in Western Europe and Japan. The high level of feedgrain costs in the European Community (because of the variable levies) continued to encourage EC feed manufacturers to utilize larger portions of meal in their rations. Also, the lower priced U.S. meal effectively competed with fishmeal and peanut meal, as well as with other protein supplements. More crushing facilities in Japan, the Netherlands, Spain and other countries have increased foreign demand for U.S. exports of soybeans in lieu of the protein meal and oil.

Largest country market for U.S. soybeans is Japan, which took 70 million bushels in 1968-69, or one-fourth of the total exports. The largest trade bloc outlet is the European Community, which took 101 million bushels. Both these markets have been expanding in recent years, but in 1968-69 exports to Japan continued at about the level of the previous year. Other important soybean markets in fiscal year 1969 included Canada, Denmark, Israel, Spain, Taiwan, and Norway.

U.S. *cottonseed* and *soybean oil* exports totaled 1,004 million pounds in 1968-69, slightly below the previous year.

Lower prices resulted in a value decline of about 17 percent. Approximately three-fourths of the soybean oil shipments moved under government-financed programs, primarily to developing countries. The principal outlets for U.S. soybean oil were India, Pakistan, Venezuela, Chile, Morocco, South Vietnam, Canada, Tunisia, Israel, and West Germany—all developing countries except for Canada and West Germany.

U.S. vegetable oils met strong competition in the world market from foreign soybean oil originating from U.S. beans, from rapeseed oil, sunflowerseed oil, and palm oil, and from Western Europe's animal products. As indicated earlier, more countries are importing soybeans to obtain protein meal, thus reducing their needs for the imported oils.

U.S. exports of *oilcake and meal* totaled 3.2 million short tons in 1968-69, 5 percent higher than the 3.0 million in 1967-68. Demand continued strong for soybean meal in the mixed-feed industries in Western Europe and Japan. The European Community alone accounted for about two-thirds of U.S. exports of oilcake and meal in fiscal 1969. Other principal markets were Canada, Yugoslavia, Poland, Spain, and Switzerland.

Tobacco

U.S. exports of unmanufactured tobacco totaled 571 million pounds in 1968-69, up slightly from the 565 million pounds of the previous year. Although exports of flue-cured tobacco, totaling 417 million pounds in 1968-69, were down from the 427 million pounds in 1967-68, burley tobacco exports were up one-fourth—to 48 million pounds from the 38 million pounds exported the year before.

Continued United Nations sanctions against Rhodesian tobacco and the U. S. export-payment-assistance program stimulated 1968-69 U.S. tobacco exports. Competition continued strong in many of the U.S. traditional markets from expanded production and exports in such countries as India, Greece, and Turkey. In addition, the health considerations and the

high level of taxes have slowed the growth of tobacco use in some countries.

U.S. tobacco exports increased to the European Community, Australia, Japan, Malaysia, South Vietnam, Thailand, and Switzerland. Exports to the United Kingdom declined by nearly 28 million pounds.

Vegetables and preparations

U.S. exports of vegetables and preparations totaled \$170 million in 1968-69, about the same as in the previous year. Increased exports of dry beans and dry peas were about offset by declines in fresh vegetables. U.S. exports of canned vegetables totaled \$20 million in 1968-69, about the same as the year before. In earlier years, canned vegetable exports have been as high as \$32 million. However, much of the overall decline has been accounted for by the decline in exports of canned asparagus to West Germany. That country now imports large amounts of canned asparagus from Taiwan, which only recently started producing this vegetable for the export market.

All U.S. exports of vegetables and preparations were commercial sales for dollars. As it is for fruits, Canada is the largest export market for U.S. fresh vegetables. In 1968-69, Canada accounted for around 85 percent of total U.S. exports of fresh vegetables.

Many developing countries are expanding vegetable production for export to the developed countries. This has resulted in more competition for the United States in the principal world markets. At the same time, the United States has increased its imports of vegetables from many of these developing countries, especially Mexico.

The high cost of labor in the United States is a limiting factor in the expansion of vegetable production for the export market. Competition for labor from other sectors of the economy has resulted in labor movement out of the agricultural field.

1970 Wheat Program Announced by USDA

The congestion in today's world wheat market is reflected in a 12-percent reduction of the U.S. wheat acreage allotment for 1970, aimed at strengthening the U.S. wheat trade position and continuing the U.S. effort to bring wheat production into line with needs. Announcing the 1970 program on August 11, Secretary of Agriculture Clifford M. Hardin said, "There are areas of hopefulness for improved world wheat trade. Following recent sessions of the major exporters, we are moving toward recognition of our determination to maintain the U.S. share of world wheat trade. However, the 1968-69 market year is the third consecutive one for reduced international trade, putting severe pressures on the world wheat industry. With surpluses piling up in the world's major exporting nations as a result of large crops in recent years, the United States cannot go on producing an excessive quantity of wheat which would only lead to larger and larger acquisition and storage costs. The wheat allotment announced today meets this problem squarely.

"Our carryover on July 1 this year was around 800 million bushels. In view of the 1969 U.S. crop prospects and the world wheat over-supply situation, it is likely there will be an additional buildup of U.S. stocks by July 1, 1970.

"The 1970 allotment is aimed at securing a modest reduc-

tion of our national carryover. The 1970 program is expected to produce about 1,200 million bushels of wheat."

The 1970 program has five important features:

- The national wheat acreage allotment will be reduced to 45.5 million acres from the 1969 level of 51.6 million.

- The national average price-support loan level will be \$1.25 per bushel.

- A diversion program at the maximum payment rate of 50 percent of county loan rates is aimed at avoiding production of 80 to 90 million bushels of unneeded wheat. This feature will allow producers to tailor their plantings by diverting up to one-half of their acreage allotments.

- Wheat marketing certificates will be paid on 48 percent of the projected production on the allotted acres of participating producers. For 1969, certificates at a record \$1.52 per bushel are being paid on 43 percent of projected production. They are adding more than \$800 million to the farm value of wheat. Payments per bushel reflecting the difference between wheat parity on July 1, 1970, and the average loan rate announced will be as high or higher for the 1970 crop.

- The option under which a producer can substitute the planting of wheat for feed grains or feed grains for wheat in any combination will be available.

Canada Faces Reduced Supplies of Cattle and Hogs

By HOWARD L. HALL

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Despite strong demand for meat, cattle and calf slaughter in Canada declined in the first 6 months of this year, according to recent reports from the Canada Department of Agriculture. Beginning numbers were lower than a year earlier, and larger numbers moved into feedlots as prices advanced. Hog slaughter fell also as supplies declined.

Canada's cattle and calf slaughter for January-June 1969 dropped 4 percent below the same 1968 period, and hog slaughter declined 13 percent. Strong domestic demand for meat moved live cattle and hog prices up to record levels, while large feed supplies and unusually favorable prices for fed steers increased cattle shipments to feedlots by 11 percent.

Higher Canadian prices also restricted movement to U.S. markets, and cattle and calf exports were one-third less.

High prices in the early 1950's encouraged Canadian farmers to rebuild cattle and swine herds; and a steady buildup in numbers was maintained through the mid-1960's by strong domestic and export demand. Beef and veal production was also expanded by increased cattle feeding, which contributed to a rise of one-fourth in average slaughter weights. Although livestock and meat prices were well below the peak 1950 levels for much of the period, the uptrend in Canada's beef and pork output provided for a significant increase in per capita availability of red meat.

December 1 cattle numbers have declined from a 1964 peak near 12 million in the face of high rates for slaughter and export; and a 4-percent decline in 1968 cow numbers indicates lower cattle production for 1969. The market supply of

hogs will also be down sharply, owing, in part, to a reduction in 1968 farrowings. There is also a strong possibility that 1969 market supplies of both cattle and hogs may be further restricted as larger feed availabilities and higher price expectations encourage farmers to increase herd size.

Restricted livestock supplies and higher prices were reflected in Canada's January-April 1969 trade with the United States. Canada's exports of fresh and frozen beef and veal declined more than 5 percent below the previous year's level. For the same period, exports of pork dropped more than 10 percent while pork imports from the United States moved up to near record levels, exceeding exports.

CANADA-U.S. TRADE IN SELECTED MEAT AND MEAT PRODUCTS

[Actual weight of products]

Product	January-April					
	Exports to the U.S.			Imports from U.S.		
	1968	1969	1969 change	1968	1969	1969 change
Beef and veal:	Metric	Metric	Metric	Metric	Metric	Metric
Fresh and	tons	tons	tons	tons	tons	tons
frozen	6,245	5,846	-399	555	563	+8
Cured	—	2	+2	189	1,476	+1,287
Canned	—	—	—	1	15	+14
Total	6,245	5,848	-397	745	2,054	+1,309
Pork:						
Fresh and						
frozen	7,929	7,053	-876	581	12,093	+11,512
Cured	1,095	880	-215	1,276	1,910	+635
Canned	166	110	-56	3	2	-1
Total	9,190	8,043	-1,147	1,859	14,004	+12,145

Source: Dominion Bureau of Statistics, Trade of Canada.

CANADA'S LIVESTOCK AND MEAT PRODUCTION

Item	Average			1965	1966	1967	1968	Annual growth
	1950-54	1955-59	1960-64					1950-54 to 1966-68
Cattle:	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
On hand, Dec. 1	head	head	head	head	head	head	head	Percent
Slaughter	8,673	10,220	11,257	11,643	11,749	11,775	11,475	2.0
Exports	2,984	3,635	3,676	4,605	4,356	4,196	4,546	2.6
Imports	174	305	354	613	537	34	315	3.6
Production ¹	2	10	8	5	8	31	6	—
Hogs:	3,528	4,075	4,273	4,956	4,992	4,225	4,550	1.8
On hand, Dec. 1	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
Slaughter	head	head	head	head	head	head	head	Percent
Exports	4,730	5,404	5,411	5,106	5,783	6,058	5,695	1.4
Imports	6,789	7,443	7,775	8,112	7,990	9,146	9,334	1.8
Production ¹	11	5	9	9	11	20	21	—
Meat production:	6,772	7,727	7,690	7,651	8,678	9,441	8,992	1.9
Beef and veal	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
Pork	metric	metric	metric	metric	metric	metric	metric	
Mutton and lamb	tons	tons	tons	tons	tons	tons	tons	
Red meat	463	593	678	849	846	843	885	4.2
Beef and veal	398	435	451	467	466	535	506	1.6
Pork	14	13	14	12	10	10	9	-2.2
Mutton and lamb	875	1,041	1,143	1,328	1,322	1,388	1,400	3.0
Meat consumption: ²								
Beef and veal	453	603	686	811	822	832	864	4.2
Pork	373	405	446	455	459	528	535	2.1
Mutton and lamb	16	20	30	26	35	31	19	.7
Red meat	842	1,028	1,162	1,292	1,316	1,401	1,418	3.3
Red meat consumption	Kg. per person	Kg. per person	Kg. per person	Kg. per person	Kg. per person	Kg. per person	Kg. per person	
	58.2	61.8	62.5	65.9	65.6	68.5	68.0	1.1

¹ Equals slaughter plus net trade and change in numbers on hand.

² Equals production plus net trade.

Source: Dominion Bureau of Statistics, livestock and animal products statistics; U.S. Embassy Reports from Ottawa.

Brazil's Expanding Production and Trade

By JOHN C. McDONALD
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Brazil, the geographical giant of the Western Hemisphere, is playing an increasingly larger role in the world agricultural picture. It towers above all others in coffee production and is the largest producer and consumer of dry beans. Brazil ranks second only to the United States in corn production and third in cotton exports (1968) and is the third largest producer of cocoa and soybeans. It also ranks high among the nations producing sugar, cotton, and oranges. A look at recent production and trade for some of Brazil's most important crops follows.

Wheat. Brazil's 1968-69 wheat crop reached about 700,000 metric tons—up 90 percent from last year's 365,000 metric tons. As a result of this record production Brazil's wheat producers, who until this year could furnish only 12 percent of domestic requirements, will be able to supply approximately 23 percent of domestic needs. Several factors, including more credit, better seeds, and increased plantings, contributed to the gain, but the principal reason was unusually dry weather which inhibited wheat diseases usually rampant in humid Brazil.

During 1968, Brazil imported 2.6 million metric tons of wheat, of which 1.1 million was from the United States (448,000 tons commercial purchases) and 1.0 million from Argentina. About half of the remainder was from other Free World countries. Imports are expected to be about 2.5 million metric tons during 1969.

Meat. Brazil possesses one of the world's largest cattle herds. There was lively demand for Brazilian beef in 1968, especially in Europe, and exports reached nearly \$40 million. Brazil is expected to have good export availabilities in the coming year because of favorable weather conditions in the State of Rio Grande do Sul. Imports of U.S. breeding cattle are rising.

The major share of the beef produced is consumed domestically at about 1.5 million metric tons per year. Beef consumption last year in the major metropolitan markets of São Paulo and Rio de Janeiro was estimated to be below the level of the early 1960's partly because of increased poultry consumption. At present, however, poultry and hog prices are up as the result of a tight corn situation and hog consumption appears static.

Coffee. Two coffee eradication programs, coupled with some unfavorable weather in the coffee zone, have caused average production during the past 6 years to drop below requirements for exports and internal consumption. Although the land diverted from coffee will continue to be used for the production of other crops, coffee production will not necessarily decline since producers are replacing old trees with new ones of higher producing varieties and are caring better for existing trees. Coffee and sugar probably are the most profitable crops in Brazil.

Corn. Brazil, long known for its high corn production, emerged in 1968 as a major exporting country as well with shipments of 1.2 million tons. Trade sources believe it un-

likely that much more than half of this export volume will be achieved in 1969 as the unaccustomed drain on domestic supplies has resulted in relatively low stocks and higher prices. Exports for the first 6 months of 1969 were about 245,000 metric tons.

Brazil produced 12.5 million metric tons of corn in 1968. This year's crop is estimated at 11.5 million tons—an 8 percent decline. Lower production in 1969 is attributed partly to dry weather in the major producing State of São Paulo, but more importantly to reduced plantings of corn in favor of more profitable cotton, soybeans, and rice.

Rice. There seems to be general agreement that Brazil has the potential to vastly expand rice production, but to date the internal market has absorbed most production. Exports of whole-grain-husked rice have averaged only 77,000 metric tons during the last 10 years. Production in 1968 was about 5.3 million metric tons of paddy rice and this year's crop is expected to be up slightly. With internal prices high, the export outlook is not favorable.

Cotton. Brazil is one of the world's largest producers and exporters of cotton. The 1967-68 crop was estimated at 2.7 million bales, with exports totaling 836,000 bales. The 1968-69 crop is estimated at 3.2 million bales, and exports are estimated at a record level of 1.5 million bales.

Sugar. Brazil ranks fourth among sugar producing countries, and in 1968 it was the third largest supplier to the U.S. preferential market. Exports to the United States account for about 80 percent of Brazil's total sugar export earnings.

Fats and oils. The edible vegetable oil situation was satisfactory in 1968, and production will be greater in 1969 as a result of larger supplies of soybeans and cottonseed. Records were set in 1968 with castorbean production at 370,000 metric tons and oilcica production at 110,000 metric tons. Another castorbean record appears likely in 1969. Soybean exports are expected to reach 250,000 metric tons in 1969, a considerable rise above the 1968 level.

Brazil Raises Price Supports

At a meeting held on July 11, Brazilian President Costa e Silva and the Ministers of Finance and Transportation made a decision to adopt "financial measures of an exceptional character" intended to stimulate farm production.

Chief among these measures was a new high level of minimum farm prices which boosted average net floor prices for major food and feed crops more than 25 percent. As reported in the *Jornal do Brasil* of July 28, comparative 1968-69 and 1969-70 price support payments for several representative crops are as follows (prices based on current rate of exchange; Cr\$4.075 equals US\$1.00): Seed cotton from US\$1.72 to \$2.13 per 33 pounds; peanuts from \$1.55 to \$1.96 per 55 pounds; rice from \$3.28 to \$4.59 per 132 pounds; corn from \$1.82 to \$2.20 per 132 pounds; soybeans from \$2.45 to \$3.17 per 132 pounds.

The increase in support levels was greater than cruzeiro devaluation in the last year and thus represents a real gain to producers.

Capsule Review of Brazil and I

One of the world's important agricultural producing nations, Brazil is self-sufficient in most farm products; main exceptions are wheat, deciduous fruits, and a few other Temperate-Zone commodities.

Agricultural commodities make up about three-fourths of the value of Brazil's exports, the most important being coffee, which in 1968 accounted for about 42 percent of the total value of all exports.

At least half of Brazil's land is public, most of it owned by the States; the arable part is said to be greater than that of the United States. An estimated two-thirds of Brazil is unoccupied except for a few cattle herders, collectors of forest products, and Indian tribes. Full development of the country's vast interior remains a goal for the future.

Development of agriculture has been hindered by inadequacy of transportation, insufficient capital and credit, deficiencies in the marketing system, and outdated farming practices. Highly fertile soils are limited and much of the land is too rolling and rugged to be suited to large-scale mechanized farming.

However, with proper techniques and management the cultivated area can be greatly increased. Gradual improvement in agricultural techniques is taking place, with greater employment of farm machinery and the expanded use of fertilizers and insecticides.

Following are estimates of farms and farming area in Brazil:

	1960	1967
Number of farms ..	3,338	3,392
Total farm area, million acres	617.4	781.3
Cultivated area, million acres	63.3	76.8

Of the cultivated area about 30 percent is in corn, 14 percent in rice, 13 percent in beans, 10 percent in coffee, 10 percent in cotton, and 5 percent in sugar.

Agricultural growth. Brazilian agriculture has expanded at an average rate of about 4 percent a year since 1950. Unfavorable weather, and a cyclical decline in coffee production reduced the rate of increase to 1 percent in 1968, but indications are that 1969 output will restore, or perhaps improve on, the earlier tempo of growth.

Productivity. Despite a recent record of increasing production and exports, Brazilian agriculture is marked by low per acre yields and low labor productivity. Although 50 percent of the labor force is engaged in agricultural activities, agriculture produces only about 31 percent of the net domestic product.

Farm Income. Retarded productivity and mobility have sentenced a large part of Brazil's rural population to the fringes of the market system. A 1959 estimate by the Food and Agriculture Organization of the United Nations indicated that per capita income originating in agriculture was less than one-fourth of that in other occupations. Brazil's per capita income was estimated at \$379 in a United Nations commission report released in March 1969.

Government farm policy. Recognizing the need to raise farm incomes if Brazil is to attain a better position in global affairs, the government has assigned priority emphasis to development of the agricultural sector. Chief objectives of the new policy are growth of output, improved productivity, expanded exports, and a more equitable distribution of land and incomes.

Among the new incentives are greater availability of rural credit, improved price supports, a market news service, and liberalized import and export poli-

cies. Credit and trade policy revisions have made a noticeable impact.

Farm trade with United States. The United States is Brazil's biggest trading partner, both as a customer and as a supplier.

In fiscal year 1968, Brazil's agricultural exports to the United States—valued at \$515.8 million—made up about 80 percent of its total exports to the U.S. market. The United States buys some 42 percent of all Brazilian coffee exports, and coffee accounts for nearly 70 percent of the U.S. agricultural purchases from Brazil. Another 15 percent of U.S. purchases of Brazilian farm commodities consists of sugar. About 80 percent of Brazil's total earnings from sugar exports comes from the U.S. preferential market.

About 20 percent of all U.S. exports to Brazil are agricultural. During calendar year 1968, these exports were valued at \$88.1 million, and most of them were paid for in dollars. These exports were principally: wheat, \$60.6 million (about half under dollar credit terms of P.L. 480); fresh and dried fruit, \$1.5 million; hops, \$1.3 million; dried peas, \$646,720; baby chicks, \$532,511; and breeding cattle, \$309,532.

Information on this page and the next supplied by John C. McDonald, U.S. Agricultural Attaché, Rio de Janeiro.

BRAZIL'S LEADING FOREIGN FARM TRADE ITEMS, 1968

Item	Quantity 1,000 metric tons	Value Million dollars	Major destinations or sources
Exports:			
Coffee	1,108	775	United States, Italy, Sweden.
Cotton	248	131	Japan, Hong Kong, Netherlands.
Sugar	1,026	102	United States, United Kingdom, Chile.
Corn	1,238	57	Italy.
Cocoa beans	76	46	United States, Argentina, Netherlands.
Beef	59	39	Italy, Greece, Belgium.
Castor oil	116	36	United States, France, Netherlands.
Cocoa butter	18	26	United Kingdom, United States, Netherlands.
Hides and skins ...	28	23	United States, France, Italy.
Rice	158	21	Peru, India, Italy, Poland, USSR.
Tobacco	39	19	Spain, France, Netherlands, West Germany.
Wool	22	16	United Kingdom, Netherlands, West Germany.
Sisal fiber	135	16	Italy, Netherlands.
Imports:			
Wheat	2,614	154	United States, Argentina, France, Bulgaria.
Apples, pears, grapes	139	24	Argentina, United States.
Dried fish	40	23	Norway, Spain, France.
Garlic	12	9	Argentina, Spain.
Dry milk	15	8	United States, Ireland.
Olive oil	9	7	Argentina, Spain.
Barley malt	48	6	Argentina, Chile, Denmark, Canada.
Olives	12	5	Argentina, Spain.
Barley	41	4	Argentina, Denmark, Poland.
Hops	1	2	United States, West Germany, Czechoslovakia.

Source: Bank of Brazil and Brazilian Geographic and Statistics Institute.

Agriculture

Brazil: Major Farm Crops, 1968

Crop	Approximate value of production Million dollars
Beef	986
Coffee	696
Corn	575
Rice	551
Milk	536
Cotton (lint and seed)	407
Sugarcane	375
Pork	315
Bananas	299
Dry beans	270

Principal Brazilian Diet Items

Food	Amount consumed annually Million metric tons
Manioc flour	12
Bananas	7
Milk	6.7
Rice, husked	4
Corn	2.5
Dry beans	2
Wheat flour	2
Beef	1.5
Eggs .....	.7
Pork .....	.7

Brazil: 1968 Exports and Imports, by Trading Partner

Type of trade and trading partner	Value ¹ Million dollars
Exports to—	
United States	627
West Germany	148
Argentina	119
Italy	117
Netherlands	103
United Kingdom	73
France	68
Sweden	51
Belgium-Luxembourg ...	44
Denmark	35
USSR	25
Other countries	471
Total exports	1,881
Imports from—	
United States	685
West Germany	236
Argentina	153
United Kingdom	96
Italy	73
Japan	73
France	72
Venezuela	67
Sweden	52
USSR	17
Other countries	608
Total imports	2,132

¹ Export value, f.o.b.; import value, c.i.f.

Bank of Brazil, CACEX.



Beef was Brazil's most valuable 1968 farm crop, coffee the most valuable farm export.

Country as a Whole—Size, Population

With 3,286, 470 square miles and a population of 90 million, Brazil has half the land and half the people in South America. The fifth largest country in the world—after the USSR, Canada, Mainland China, and the United States—it has an extraordinary variety of climates and natural attractions.

Since 1900, Brazil's population has more than quintupled, and the outlook is for an even larger increase in numbers during the remainder of this century. Its population growth rate of 3.1 percent annually is one of the world's highest for a major country. About half of the Brazilian population is under 18 years of age; by comparison, about half the population of the United States is under 25.

Brazil is a melting pot of peoples and races. Native Indians and Portuguese were the earliest settlers, followed by French and Dutch invaders. But countless other nationalities are scattered over the country, with the easy-going Latin types predominating. Descendants of Italians, Japanese, Po'les, and Germans are most numerous in the south of Brazil where the climate is temperate. Slaves imported from Africa left their heaviest

imprint on the coastal region from Bahia to Rio de Janeiro.

Unlike the other South American countries, which are chiefly Spanish speaking, Brazil's major tongue is Portuguese.

Brazil uses the metric system of weights and measures. Among the principal units and their U.S. equivalents:

Meter	3.2803 feet
Liter .....	.26418 gallon
Kilogram	2.2046 pounds
Kilometer .....	.62137 miles
Metric ton	2,204.6 pounds
Hectare	2.471 acres

Brazilians reckon extensive land areas by the square kilometer, the hectare, and the *alqueire*. The *alqueire paulista*, which is used in São Paulo and neighboring States, is equal to about 6 acres; the *alqueire mineiro* of the State of Minas Gerais and its neighbor is twice as large.

Brazil's total exports in 1968 amounted to \$1.88 billion f.o.b.; its imports amounted to \$2.13 billion c.i.f., according to Bank of Brazil figures. The United States, West Germany, and Argentina—in that order—were the three leading exporters to Brazil and the three leading importers of Brazilian products.



Left, Agricultural Officer to Bombay, Ross Packard, second from right, opens a baking school, Wheat Associates project to promote use of U.S. wheat. Right, Assistant Attaché in Paris Frank Padovano on tour of French farm areas with USDA feedgrains team.



Agricultural Attaches

At 61 posts in the leading agricultural producing and importing nations U.S. agricultural attachés are working on behalf of the American farmer. *Foreign Agriculture* salutes the attachés—shown on these pages in their day-to-day jobs—as this week marks 15 years of continuous U.S. Department of Agriculture representation at American Embassies and Consulates around the world.

These agriculturalists and their American and foreign assistants generate a flow of current information to the United States on the farm production, trade, and economic status of their host countries—an intelligence job which each year brings some 6,000 to 7,000 reports into USDA.

The attachés are also vital participants in U.S. market development programs overseas. As liaison between U.S. exporters and foreign importers the attachés keep the American farm trade informed about import regulations, new buyers, and the competition; they work with governments on foreign market access and explain our agricultural policies.

At their posts the U.S. agricultural attachés have an important companion responsibility as members of the U.S. Embassy team. Their goals to make friends for American agriculture are thus enlarged in a joint effort to build understanding and good will for the American people.

Above, at U.S. meat show, r-l, London Attaché David Hume, R. L. Foulds of Smithfield Market, and the Queen Mother. Left, K. Kiyomiya, agricultural assistant at Tokyo post, escorted meat experts to U.S.



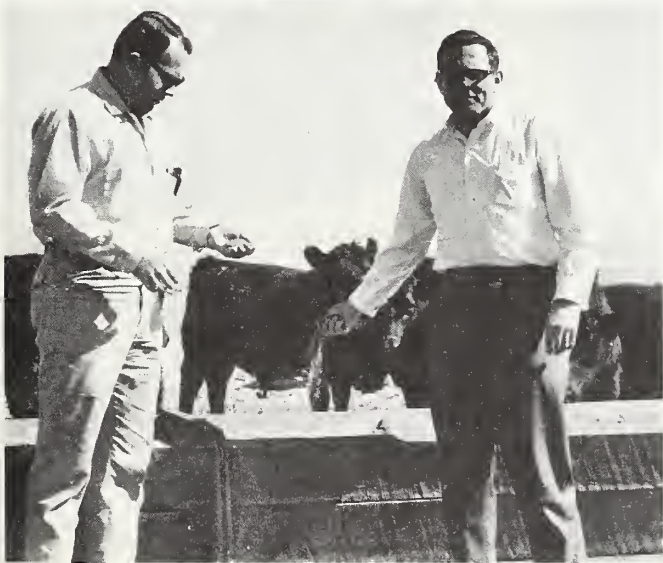


Left, Assistant Agricultural Attaché to Germany Rolland Anderson (second from left) with German grain team in an Oklahoma wheat field. Below, Tokyo Attaché Elmer Hallowell, Miss "American Festival," and Japanese youngsters enjoy popcorn outside U.S. food exhibit.

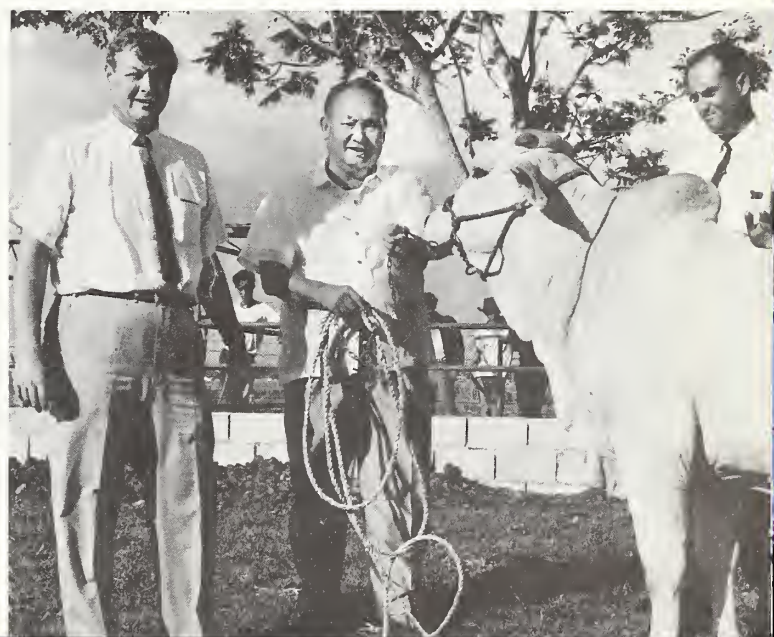
-at a Milestone



Left above, Attaché Gerald Shelden with Liberia's Minister of Agriculture James T. Phillips, Jr.; left, Assistant Attaché in Mexico Dale Douglas (right) with Dr. Wayne Sharp. Below, imported U.S. Brahman bull with its Filipino owner, center, Attaché Fred Traeger, left, and Assistant Frank Waddle.



Left, in the Republic of the Congo, Attaché Verle Lanier, center, presides over the signing of P.L. 480 Title I sales agreement. Ambassador Robert McBride is to Lanier's left.



Space Motif Sells French U.S. Foods

The Société Française SPAR (the largest retail cooperative in France) formed a space-age team early this summer with USDA's Foreign Agricultural Service and its cooperators in point-of-sale promotions. The team masterminded publicity for U.S. foods in SPAR's 7,000 retail food outlets in France to reemphasize U.S. food products to the French public.

The point-of-sale promotions opened June 2, 1969. The theme of promotional material was the speed and reliability of supply of U.S. items for sale in France and was dramatically brought to the attention of French shoppers by rocket posters and cutouts of several sizes and by paper space-helmet decorations and gifts for children. Other large-scale decorations giving an American atmosphere in stores were posters of Indians, cowboys, and the statue of liberty.

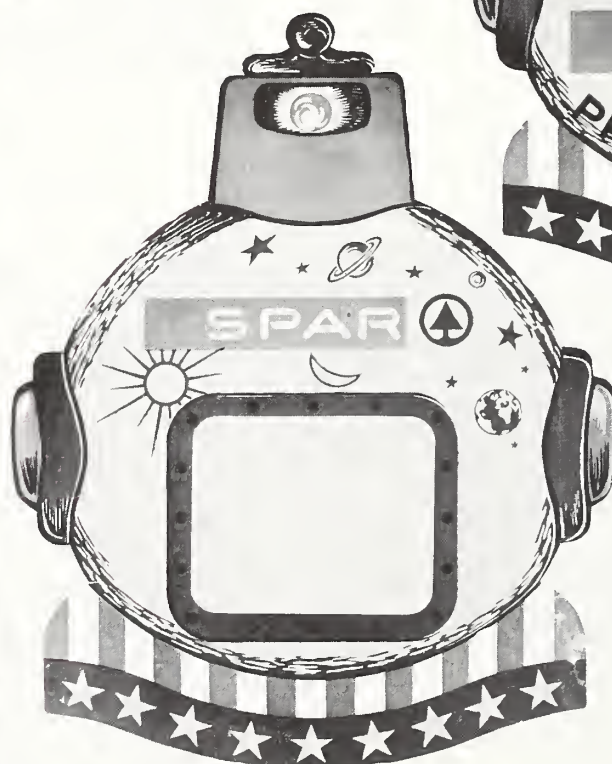
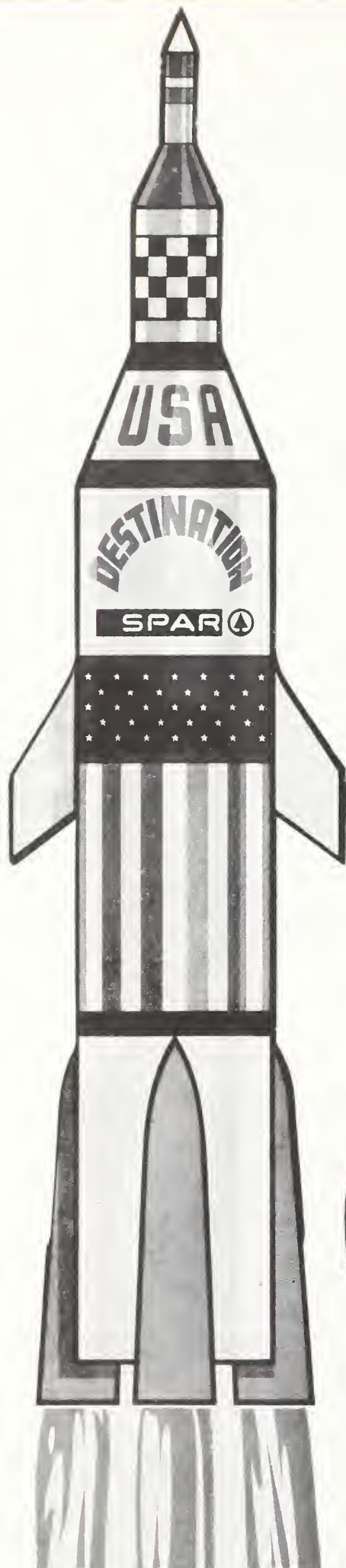
Publicity before the sale included advertisements of U.S. products in SPAR's own magazine for June 1969, distributed in all SPAR stores. The magazine also featured articles on U.S. space achievements—especially the Apollo 9 moon mission by U.S. astronauts Borman,

Lovell, and Anders.

Some of the U.S. items especially featured during "semaine U.S.A." in SPAR were precooked rice, canned fruit cocktail, canned cling peach halves, canned sliced pineapple in heavy sirup, and chewing gum.

Preliminary approximate figures of sales for the special items during the week were: rice, US\$76,000; fruit cocktail, \$37,500; peaches, \$17,500; and pineapple, \$23,000.

SPAR officials indicated that they could sell larger quantities of U.S. canned fruits if they could obtain import licenses for larger shipments. At present French imports of U.S. canned fruits are under quota.



Rocket posters, ranging from size shown to about 6 feet tall, alerted French shoppers to availability of U.S. foods in SPAR's many retail stores and suprettes. Paper space helmets had fronts (bottom) and backs fastened together to form a three-dimensional enclosure big enough to slip over a child's head. A square hole in the front acted as a visor for junior spacemen.

CROPS AND MARKETS SHORTS

Weekly Report on Rotterdam Grain Prices

Current prices for imported grain at Rotterdam, the Netherlands, compared with a week earlier and a year ago, are as follows:

Item	August 13	Change from		A year ago
		Dol.	Cents	
	per bu.	per bu.	per bu.	per bu.
Wheat:				
Canadian No. 2 Manitoba ..	1.90	-1		2.02
USSR SKS-14	1.82	-1		(¹)
Australian Prime Hard	1.86	-1		(¹)
U.S. No. 2 Dark Northern				
Spring:				
14 percent	1.83	-2		1.88
15 percent	1.87	-4		1.98
U.S. No. 2 Hard Winter:				
13.5 percent	1.82	-1		1.88
Argentina	(¹)	(¹)		(¹)
U.S. No. 2 Soft Red Winter .	1.65	+1		1.77
Feedgrains:				
U.S. No. 3 Yellow corn	1.47	+3		1.21
Argentine Plate corn	1.67	+1		1.42
U.S. No. 2 sorghum	1.36	+2		1.21
Argentine-Granifero	1.38	-1		1.22

¹ Not quoted.

Note: All quoted c.i.f. Rotterdam for 30- to 60-day delivery.

Flue-Cured Tobacco Sales in Zambia

A total of 11.1 million pounds of flue-cured tobacco were sold at the average price of 49.2 cents per pound during this year's auction sales recently concluded in Lusaka, Zambia. This quantity compares with the 13.8-million-pound crop sold last year at the average price of 43.7 cents per pound and the 11.0-million-pound crop sold at the average price of 60.6 cents per pound in 1967.

Zambia's 1969 flue-cured tobacco crop fell below the 13.5-million pound crop estimated earlier in the season. Adverse weather conditions during the growing period were primarily responsible for the lower yield. Production of flue-cured tobacco represents about 90 percent of Zambia's tobacco output.

U.S. Exports of Cigarettes Down

U. S. exports of cigarettes during the first half of calendar year 1969, at 11,273 million pieces, were down 5.8 percent from the 11,964 million shipped during the same 6-month period a year ago. By value, the January-June 1969 shipments totaled \$57.0 million compared with \$60.4 million exported during the same period a year ago.

Hong Kong continued as an important single market for U.S. cigarettes, receiving 13 percent of the total U.S. cigarette exports during the first half of 1969. Exports were also significantly increased to Colombia, Belgium-Luxembourg, Saudi Arabia, the Canary Islands, Uruguay, and Japan.

Cigarette exports to Paraguay, which represented the best single market during the first half of 1968, with 1,268 million pieces, dropped to about 328 million during January-June

1969. Other countries which purchased much lower quantities of U.S. cigarettes during January-June 1969 in comparison with the previous year's level included Spain, Kuwait, West Germany, Italy, Lebanon, and Denmark.

U.S. EXPORTS OF CIGARETTES

Destination	January-June			Change from 1968
	1967	1968	1969	
	Million pieces	Million pieces	Million pieces	Percent
Hong Kong	1,209.0	1,201.1	1,484.2	+ 23.6
Netherlands Antilles	702.5	785.9	778.4	- 1.0
Colombia	8.0	320.8	726.6	+126.5
Panama	337.7	471.0	527.1	+ 11.9
Spain	897.8	812.6	519.9	- 36.0
Kuwait	574.1	689.0	511.2	- 25.8
Belgium-Luxembourg ...	231.2	122.8	353.6	+187.9
Japan	256.1	195.3	328.0	+ 67.9
Paraguay	677.6	1,268.2	327.9	- 74.1
Canary Islands	300.5	149.2	310.6	+108.2
Singapore	267.6	280.1	268.9	- 4.0
Italy	382.3	360.4	237.5	- 34.1
Switzerland	238.4	204.8	216.6	+ 5.8
Germany, West	424.4	361.0	205.0	- 43.2
Lebanon	264.6	286.4	201.8	- 29.5
Netherlands	290.1	208.1	193.6	- 7.0
Morocco	330.6	153.5	191.6	+ 24.8
Philippines	160.4	172.0	187.3	+ 8.9
Yugoslavia	104.0	182.8	184.8	+ 1.1
Uruguay	55.7	52.4	180.3	+244.1
Saudi Arabia	2.6	8.1	172.5	—
Mexico	143.2	185.7	167.9	- 9.6
Arabian Peninsula States.	86.9	84.4	160.8	+ 90.5
United Kingdom	200.5	168.6	156.0	- 7.5
Denmark	206.3	209.6	149.9	- 28.5
Other	3,748.6	3,029.9	2,531.5	- 16.5
Total quantity	12,100.7	11,963.7	11,273.5	- 5.8
Total value				
(1,000 dollars)	58,343	60,377	57,027	- 5.5

Bureau of the Census.

Tung Oil Shipments Increase

Shipments of tung oil from Buenos Aires, presumed to represent total exports from Argentina and Paraguay and more than 90 percent of total free world exports, amounted to 70.8 million pounds in the August 1968-June 1969 period, compared with 62.0 million pounds in the comparable 11 months of 1967-68. The increase reflected estimates of record large oil outturns in both Argentina and Paraguay which in 1968-69 totaled 75 million pounds, compared with 54 million pounds in 1967-68 and 74 million in 1966-67.

Exports from Argentina at 51.3 million pounds in the 1968-69 period accounted for 72 percent of the movement from both countries. Argentina also accounted for 52 percent of their exports to the United States.

Through June of the 1968-69 period, 14.6 million pounds were indicated as destined for the United States, compared with 16.7 million pounds during the same period a year ago. Increased tung oil shipments from South America to countries other than the United States (principally Western Eu-

rope, the USSR, and Japan) apparently are filling the gap created by reduced exports from Mainland China.

Based on estimates of the March-June 1969 harvest of tung nuts in Argentina and Paraguay, it would appear that exportable supplies may decline by roughly 20 million pounds in the marketing year beginning August 1, 1969.

Prices for South American tung oil, c.i.f. Europe, have increased substantially in recent months from the bargain levels which persisted throughout much of 1967 and 1968. Tung oil consumption in recent years appears to have remained relatively constant throughout the period despite significant price fluctuations. Therefore the firming trend in prices should not greatly affect the rate of consumption.

TUNG OIL SHIPMENTS FROM BUENOS AIRES

Month	Year beginning August 1				
	1964	1965	1966	1967	1968
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
August .....	.9	.4	2.8	4.3	4.4
September	3.9	2.8	6.0	4.6	6.2
October	2.8	2.2	3.3	12.5	6.6
November	5.8	2.5	7.7	4.6	6.1
December	6.4	3.1	4.5	11.4	5.9
Total (Aug.-Dec.) ..	19.7	11.1	24.4	37.4	29.2
January	5.5	4.4	9.1	5.4	4.0
February	4.0	3.0	4.9	3.6	9.6
March	2.3	4.6	5.8	2.7	7.8
April	6.4	3.0	6.9	5.3	8.9
May	2.6	4.0	4.8	2.3	7.3
June	3.0	3.1	2.9	5.3	¹ 3.9
July .....	.1	2.4	7.7	4.4	—
Total (Jan.-July) ..	23.9	24.6	42.1	29.0	—
Grand total	43.6	35.7	66.5	66.4	—
Total to U. S.	26.1	23.7	22.9	16.7	—

¹ Preliminary. Totals computed from unrounded data.

Compiled from shipments data, *Boletín Marítimo*, Buenos Aires.

TUNG OIL PRICES¹

Month	1966	1967	1968	1969
	U.S. cents per pound	U.S. cents per pound	U.S. cents per pound	U.S. cents per pound
January ...	19.1	13.1	14.0	12.3
February ..	19.1	13.0	13.7	12.5
March	(²)	12.2	12.7	12.6
April	(²)	11.8	11.2	12.6
May	18.8	11.7	11.0	13.5
June	18.1	11.8	11.0	14.9
July	16.9	11.6	10.8	³ 15.0
August ...	15.7	11.3	9.8	—
September .	15.5	11.3	9.8	—
October ...	15.2	12.1	9.9	—
November .	14.8	13.5	9.6	—
December .	13.1	14.1	12.0	—
Average ..	16.6	12.3	11.3	—

¹ South America c.i.f. Europe. ² Not quoted. ³ Preliminary. Compiled from *Public Ledger*, London (Saturday editions).

U.S. Trade in Livestock and Meat

During June, exports of the major categories of livestock and meat products continued above year-earlier levels while imports were down. The value of U.S. exports totaled \$247.2 million for the first half of 1969, 25.6 percent above the year-earlier level, while imports, valued at \$538.7 million, were up only 5.5 percent.

Although total red meat imports declined from 147.8 million pounds in June 1968 to 136.1 million pounds in June 1969, red meat imports for the first half of 1969 were 4.7

U.S. IMPORTS OF SELECTED LIVESTOCK PRODUCTS

Commodity	June		Jan.-June	
	1968	1969	1968	1969
Red meats:				
Beef and veal:				
Fresh and frozen:	1,000	1,000	1,000	1,000
Bone-in beef:	pounds	pounds	pounds	pounds
Frozen	2,072	974	4,764	3,381
Fresh and chilled	1,565	681	8,311	5,599
Boneless beef	89,881	78,877	393,689	437,949
Cuts (prepared) ..	124	127	660	883
Veal	1,725	1,715	11,215	13,695
Canned beef:				
Corned	6,876	7,087	43,011	40,889
Other, incl. sausage	1,068	1,419	8,280	7,973
Prepared and preserved	2,502	9,499	30,045	30,916
Total beef and veal ¹	105,811	100,380	499,978	541,283
Pork:				
Fresh and frozen	4,407	3,910	27,394	24,254
Canned:				
Hams and shoulders	19,836	20,502	115,623	121,307
Other	3,895	2,217	21,411	13,873
Cured:				
Hams and shoulders	107	72	691	623
Other	298	517	2,128	1,849
Sausage	231	352	1,198	1,665
Total pork ¹	28,775	27,569	168,447	163,574
Mutton and goat	9,820	3,490	38,993	24,032
Lamb	2,167	3,154	7,687	19,511
Other sausage	516	622	3,529	4,108
Other meats	688	922	5,662	5,967
Total red meats ¹	147,776	136,139	724,297	758,471
Variety meats	391	325	1,918	2,047
Meat extract	54	7	378	472
Wool (clean basis):				
Dutiable	8,703	8,269	74,581	52,890
Duty-free	10,285	6,463	57,597	43,072
Total wool ¹	18,989	14,732	132,179	95,961
Animal hair				
	466	716	4,153	4,059
	1,000	1,000	1,000	1,000
Hides and skins:				
	pieces	pieces	pieces	pieces
Cattle	41	26	212	142
Calf	18	29	198	157
Kip	12	25	113	152
Buffalo	39	34	251	231
Sheep and lamb	3,033	1,645	19,734	13,996
Goat and kid	482	695	3,240	2,862
Horse	12	10	152	110
Pig	36	64	322	371
Livestock:				
	Number	Number	Number	Number
Cattle ²	48,807	42,654	524,397	485,002
Sheep	63	27	1,119	1,634
Hogs	2,827	952	12,959	4,623
Horses, asses, mules, and burros	311	242	1,597	1,607

¹ May not add due to rounding. ² Includes cattle for breeding. U.S. Department of Commerce, Bureau of the Census.

percent above the comparable period last year. Greater imports of boneless beef accounted for most of the increase. Imports of cattle and hogs were below the previous year's level for the first half of 1969 while imports of other categories of live animals were up.

Total red meat exports totaled 108.0 million pounds for the first half of 1969, up from 38.6 million pounds in the same period of 1968. Pork accounted for practically all of the increase as exports jumped from 15.8 to 84.2 million pounds. June lard exports were 30 percent above those of a year earlier, bringing the 6-month total up to 120.4 million pounds. With the exception of calf and horse skins, exports

U.S. EXPORTS OF SELECTED LIVESTOCK PRODUCTS

Commodity	June		Jan.-June	
	1968	1969	1968	1969
	1,000	1,000	1,000	1,000
Animal fats:	pounds	pounds	pounds	pounds
Lard	11,845	15,433	83,768	120,437
Tallow and greases:				
Inedible	188,463	154,487	1,119,688	999,063
Edible	891	596	4,368	7,114
Meats:				
Beef and veal	1,851	2,046	13,536	13,270
Pork	2,494	12,568	15,824	84,222
Lamb and mutton	222	51	1,004	885
Sausages:				
Canned	125	52	734	541
Except canned	248	275	1,400	2,092
Meat specialties:				
Canned	164	123	735	637
Frozen	102	146	909	1,437
Other canned	735	569	4,423	4,961
Total red meats ¹ ..	5,940	15,825	38,555	108,043
Variety meats	13,624	18,396	99,761	105,991
Sausage casings:				
Hog	459	656	3,162	3,765
Other natural	312	230	1,520	1,788
Mohair	828	1,629	5,270	6,998
Hides and skins:				
Cattle parts	2,141	3,427	16,891	17,637
	1,000	1,000	1,000	1,000
	pieces	pieces	pieces	pieces
Cattle	1,021	1,063	5,966	7,133
Calf	190	128	1,174	741
Kip	25	45	164	242
Sheep and lamp	187	268	1,562	1,787
Horse	6	5	43	31
Goat and kid	23	9	121	176
Livestock:	Number	Number	Number	Number
Cattle and calves	2,120	2,774	18,015	18,394
Sheep, lambs, and goats ..	20,953	12,798	75,573	68,758
Hogs	965	1,167	5,580	10,075
Horses, asses, mules, and burros	2,479	1,383	5,603	5,419

¹ May not add due to rounding.

U.S. Department of Commerce, Bureau of the Census.

of all other categories of hides and skins were above the year-earlier level for the first half of 1969. Exports of cattle and calves for the first 6 months of 1969 were 2.1 percent above the previous year's level and hog exports increased from 5,580 to 10,075 head.

Egyptian Cotton Acreage Rises

Area devoted to cotton in Egypt for 1969-70 (August-July), according to official estimates, is 1,730,000 acres. This compares with 1,519,000 acres in 1968-69, which was the smallest in 15 years. Acreage planted to extra-long staple varieties is up more than 10 percent from last season; medium-long staple is up nearly 50 percent, medium staple down.

The reduction in acreage in 1968-69 is said to have been a result of growers' dissatisfaction with returns from cotton. Production totaled 2,005,000 bales (480 lb. net) in 1968-69, about the same as the previous year and slightly below the 1960-64 average of 2,037,000 bales. Average yield in 1968-69 was 634 pounds of lint per acre, up from 570 pounds a year earlier. More effective control of the bollworm and cotton leaf worm, which are the two major damaging pests, account for most of the increase. In recent years, aerial spraying by units from Poland and Bulgaria has been used.

Exports of cotton in the first 10 months (August-May) of

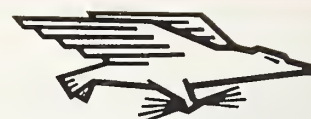
the 1968-69 season totaled 990,000 bales, compared with 1,041,000 in the same period a year earlier. Shipments to India, Czechoslovakia, Spain, Italy, Romania, and Yugoslavia were lower than a year earlier but were higher to Russia, Japan, and West Germany. Exports to principal destinations in 1967-68 were: Russia 193,000 bales, India 149,000, Japan 102,000, Czechoslovakia 84,000, Spain 79,000, Italy 74,000, West Germany 57,000, and Romania 57,000.

Hamburg Prices of Canned Fruits, Juices

Quotations represent importers' selling prices, including duty and sugar-added levy but excluding the value-added tax. Sales are in lots of 50 to 100 cases.

Type and quality	Size of can	Price per dozen units			Origin
		July 1968	Apr. 1969	July 1969	
CANNED FRUIT		U.S. dol.	U.S. dol.	U.S. dol.	
Apricot halves:					
Choice	2½	—	2.82	2.82	Spain
Not specified	2½	3.33	2.85	2.85	Greece
Peaches, halves:					
Choice, light sirup	2½	—	3.63	3.63	United States
Do	2½	3.60	3.60	3.60	South Africa
Standard	2½	—	3.45	3.45	Argentina
Light sirup	2½	—	3.27	3.24	Spain
Not specified	2½	3.30	2.85	2.79	Greece
Do	2½	—	2.70	2.61	Bulgaria
Pears:					
Heavy sirup	2½	3.99	3.78	3.78	Italy
Fruit cocktail:					
Heavy sirup	2½	5.55	5.25	5.25	United States
Choice, light sirup	2½	—	4.59	4.65	United States
Light sirup	2½	4.72	4.65	4.53	Argentina
Cherries, red pitted:					
Fancy	10	—	—	24.45	United States
Not specified	2½	6.81	5.70	5.34	Greece
Do	3 kg.	—	21.90	21.90	Italy
Do	3 kg.	—	19.74	19.74	Netherlands
Do	5 kg.	37.80	24.60	24.60	Yugoslavia
Cherries, sweet:					
Not specified	¹ 1/1	—	4.54	4.54	Poland
Pineapple, whole slices:					
Fancy	2½	5.16	5.25	5.31	United States
Choice	2½	3.80	3.69	4.11	United States
Do	2½	3.82	3.54	4.20	Philippines
Not specified	2½	—	3.30	3.36	Thailand
Do	2½	3.36	3.27	3.22	Ivory Coast
Do	2½	3.27	3.21	3.18	South Africa
Pineapple, pieces and halves:					
Not specified	211	1.89	1.95	1.98	Philippines
Do	2½	2.79	2.85	2.85	Thailand
Do	2½	—	2.70	2.85	China
Pineapple, crushed:					
Fancy	10	11.25	11.85	12.90	Philippines
Choice	10	—	8.40	8.85	South Africa
CANNED JUICES					
Grapefruit, unsweetened: ..	2	1.71	1.92	1.83	United States
Do	¹ 1 qt.	4.56	—	4.50	United States
Do	2	—	1.62	1.59	Greece
Do	2	1.74	1.86	1.86	Israel
Do	¹ 1 l.	—	3.87	3.87	Israel
Do	2	1.59	1.59	1.59	China
Orange, unsweetened:	1 qt.	4.26	4.35	4.26	United States
Do	¹ 1 l.	—	3.51	3.48	Israel
Do	43 oz.	3.36	3.30	3.24	Greece
Do	43 oz.	—	3.27	2.97	Italy

¹ Packed in glass bottles.



To change your address or stop mailing,
tear off this sheet and send to Foreign
Agricultural Service, U.S. Dept. of Agriculture,
Rm. 5918, Washington, D.C. 20250.

Netherlands Prices of Canned Fruit, Juice

Quotations represent wholesale offering prices on a landed duty-paid basis, including the sugar-added levy but excluding the value-added tax.

Type and quality	Size of can	Price per dozen units			Origin
		June 1968	Mar. 1969	June 1969	
CANNED FRUIT		U.S. dol.	U.S. dol.	U.S. dol.	
Apricots, halves:					
Not specified	500 g.	1.69	1.62	1.66	Spain
Do	2½	—	3.28	3.08	Greece
Cherries, sweet, not pitted:					
Not specified	1 kg.	5.93	4.81	4.81	Italy
Fruit cocktail:					
Choice, heavy sirup	2½	—	5.27	5.24	United States
Do	2½	—	4.91	4.87	Italy
Choice, light sirup	2½	—	5.10	4.94	United States
Do	425 g.	—	2.88	2.82	Australia
Choice	3 kg.	16.51	14.85	14.85	Spain
Peaches, clingstone halves:					
Choice, heavy sirup	2½	—	—	4.21	United States
Do	2½	—	—	3.75	Italy
Standard	10	—	14.92	14.92	United States
Do	2½	3.55	3.75	3.81	Australia
Do	2½	—	3.58	3.65	South Africa
Pears:					
Choice, heavy sirup	2½	5.01	4.71	4.81	Australia
Pineapple, slices:					
Fancy	2½	5.47	5.14	4.81	United States
Not specified	2½	—	3.78	3.78	Malaysia
Broken	10	—	15.75	15.75	United States
Do	10	12.76	12.00	11.67	South Africa
Pineapple pieces . . .	30 oz.	—	3.05	3.05	Taiwan
Pineapple, crushed .	10	—	9.45	9.45	Malaysia
Do	10	—	9.91	9.91	South Africa
CANNED JUICES					
Grapefruit,					
unsweetened . . . ¹	1 qt.	4.48	—	4.41	United States
Do ¹	0.7 l.	—	—	4.11	Israel
Orange, unsweetened ¹	1 qt.	5.80	—	5.24	United States
Do ¹	0.7 l.	3.22	3.05	3.05	Israel
Pineapple,					
unsweetened . . .	6 oz.	.99	.93	.93	United States

¹ Packed in glass bottles.

London Prices of Canned Fruits

Quotations indicate selling prices in London, c.i.f. value unless otherwise indicated.

Type and quality	Size of can	Price per dozen units			Origin
		July 1968	Apr. 1969	July 1969	
CANNED FRUIT		<i>U.S.</i>	<i>U.S.</i>	<i>U.S.</i>	
Apricot halves:		<i>dol.</i>	<i>dol.</i>	<i>dol.</i>	
Fancy	2½	2.82	3.03	2.91	South Africa
Choice	2½	2.94	¹ 3.24	¹ 3.30	Australia
Do	2½	2.70	2.94	3.12	South Africa
Fruit cocktail:					
Choice	303	—	2.48	2.38	United States
Do	2½	3.72	¹ 3.90	¹ 3.96	Australia
Fruit salad:					
Choice	15 oz.	1.74	1.62	1.62	Spain
Peaches, clingstone halves:					
Choice	2½	—	—	3.56	United States
Do	2½	2.91	¹ 3.27	¹ 3.24	Australia
Do	2½	2.70	3.00	3.18	South Africa
Pears:					
Fancy	2½	2.97	3.18	3.18	South Africa
Choice	2½	—	—	4.71	United States
Do	2½	3.00	¹ 3.33	¹ 3.39	Australia
Do	2½	2.85	3.09	3.09	South Africa
Pineapple slices:					
Choice	2½	3.17	3.18	3.06	United States
Do	16 oz.	1.44	1.44	1.63	Malaysia
Grapefruit sections:					
No. 2	20 oz.	2.10	2.34	2.34	Israel
Not specified ...	20 oz.	2.19	—	2.31	Br. W. Indies

¹ Ex quay.

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